



PAT QUINN
Governor
MICHAEL T. McRAITH
Director

Illinois Department of Insurance

NEWS

DATE:

August 12, 2009

CONTACTS:

Anjali Julka (312) 814-0093
Louis G. Pukelis (312) 814-0778

Illinois Department of Insurance Issues Order Against Universal Casualty Company

Department imposes \$200,000 fine

CHICAGO – The Illinois Department of Insurance has issued an [Order](#) against Universal Casualty Company (UCC) for failing to adopt and maintain procedures for the prompt investigation and settlement of consumers' claims. On August 11, 2009, the Department ordered UCC, an automobile insurance company based in Elk Grove Village which does business in Illinois, Indiana, and Missouri, to pay a \$200,000 fine and correct its claims processes immediately.

In January 2008, the Department ordered the company to create and maintain improved claims investigation and resolution procedures. The Department continued, however, to receive complaints from consumers based on UCC's failure to properly address or resolve property damage and liability claims. Acting on behalf of Illinois consumers, the Department initiated additional punitive measures and a new investigation of UCC on July 27, 2009.

The Department's Order entered August 11, 2009, imposes a fine of \$200,000 on UCC -- \$100,000 of which is payable in the event that the Department's current examination finds that UCC's corrective measures are unsatisfactory. The Order also requires that UCC must re-visit and satisfactorily resolve several hundred previous consumer complaints. UCC has informed the Department of its effort to institute corrective measures, including the engagement of new management.

If the company fails to undertake reforms as required by the Order, the Department will take further disciplinary measures.

More Information

The Department's mission is to protect consumers by providing assistance and information, by efficiently regulating the insurance industry's market behavior and financial solvency, and by fostering a competitive insurance marketplace. The Department assists consumers with all insurance complaints, including health, auto and homeowners. Consumers in need of information or assistance should visit the Department's web site at <http://insurance.illinois.gov> or call our toll-free hotline at (877) 527-9431.

###